

No. 7/15/DPM

Jakarta, April 29, 2005

CIRCULAR LETTER

To

ALL COMMERCIAL BANKS

IN INDONESIA

Concerning : Blanket Guarantee Interest Rate for Third Party Deposit and Inter
Bank Money Market

In reference to Bank Indonesia Regulation Number 6/11/PBI/2004 dated April 12, 2004 concerning Blanket Guarantee Interest Rate for Third Party Deposit and Inter Bank Money Market (State Gazette of the Republic of Indonesia of 2004 Number 39, Supplement to the State Gazette of the Republic of Indonesia Number 4383), as amended by Bank Indonesia Regulation Number 7/11/PBI/2005 dated March 31, 2005 (State Gazette of the Republic of Indonesia of 2005 Number 34, Supplement to the State Gazette of the Republic of Indonesia Number 4491), Bank Indonesia shall stipulate the blanket guarantee interest rate for third party deposit and inter bank money market as follows:

1. The Maximum Margin for Third Party Deposit Interest Rate shall be set at:

Period of Deposit	Margin (basis point)
1 month	Added by 0 (zero)

from ...

3 months	Added by 5 (five)
6 months	Added by 10 (ten)
12 months	Added by 25 (twenty five)
24 months	Added by 55 (fifty five)

from the weighted average SBI discount rate for the period of 3 (three) months in the last auction.

2. The maximum margin for third party deposit interest rate in US Dollar foreign currency under Government guarantee for the period of 1, 3, 6, and 12 months is set at 135 (one hundred thirty five) basis points; whereas the margin for the period of 24 months is set at 139 (one hundred thirty nine) basis points above the average deposit interest rate in US Dollar at Jakarta Inter Bank Offered Rates (JIBOR) member banks selected by Bank Indonesia I (one) month earlier for a certain period of time.
3. The maximum margin for PUAB Interest Rate shall be stipulated as follows:
 - a. The maximum margin for PUAB interest rate in Rupiahs under Government guarantee shall be set at 0 (zero) basis point from the weighted average morning overnight PUAB interest rate in Rupiah at JIBOR member banks selected by Bank Indonesia 1 (one) month earlier.
 - b. The maximum margin for PUAB interest rate in US Dollar under Government guarantee is set at 225 (two hundred and twenty five) basis points below the weighted average overnight PUAB interest rate in US Dollar

foreign ...

foreign currency at JIBOR member banks selected by Bank Indonesia 1 (one) month earlier.

With the promulgation of this Circular Letter, Bank Indonesia Circular Letter Number 6/20/DPM dated April 26, 2004 concerning Blanket Guarantee Interest Rate for Third Party Deposit and Inter Bank Money Market that has been amended for several times, the last one being with Bank Indonesia Circular Letter Number 7/11/DPM dated March 31, 2005 is revoked and declared no longer valid.

The provisions in this Circular Letter shall come into force on April 29, 2005.

For the public to be informed, it is ordered that this Circular Letter be promulgated in the State Gazette of the Republic of Indonesia.

Kindly be informed.

BANK INDONESIA,

BUDI MULYA

DIRECTOR OF MONETARY
MANAGEMENT